

Jed Mandel  
19-12-4

STATE OF CALIFORNIA  
AIR RESOURCES BOARD

Public Hearing to Consider the Proposed )  
Advanced Clean Trucks Regulation and )  
Draft Environmental Analysis )  
Prepared for the Regulation )

Agenda Item: 19-12-4  
December 12, 2019

ORAL STATEMENT OF THE  
TRUCK AND ENGINE MANUFACTURERS ASSOCIATION

Good afternoon. I am Jed Mandel speaking on behalf of the Truck and Engine Manufacturers Association.

All EMA members are investing in, developing, and marketing zero emission powertrains and commercial vehicles. As such, we support CARB's efforts to assure the market acceptance of ZEV products.

I do need to note, however, we have significant and legitimate concerns with the design of the proposed ZEV mandate, but not its overall goals. Properly designed, the proposed ZEV volume targets and implementation schedule should be achievable – and we are committed to working with the Board and staff to assure that result. We have a simple request today: Direct the staff to work with us and other interested stakeholders through the 15-day notice process to identify those specific segments of the heavy-duty market that are more readily amendable to electrification and that, with 100% mandates, will achieve, or even over-achieve, the volumes and time frames which the staff is proposing.

EMA's members have invested billions in developing ZEV technologies for the heavy-duty market. We support efforts to develop and expand the market for heavy-duty ZEVs. But, designing a program based on a naked sales mandate is fundamentally flawed. Trucks are not cars. Our customers invest capital to purchase vehicles that must return a profit. We all know that, today, ZEVs are more expensive than traditionally fueled vehicles; that an extensive and costly infrastructure is needed; and that, without incentives to offset those cost differentials, customers either will keep their old products longer or, given the choice, which the proposed rule allows, they will buy new diesel fueled vehicles.

We want the ACT Rule to be a success. We want and need the rollout of ZEV technologies to be successful. Our members need to know that they will be able to recoup their investments in developing ZEV technologies. We believe there is an answer. We believe that the ACT Rule should be focused on mandating the use of ZEV technologies in prioritized, specific segments that are more readily suited to that technology.

Let me be specific: Even earlier than the staff is proposing, we think that new school buses and municipal fleet step vans could be 100% ZEVs in 2023; that in 2024 100% of new public utility vehicles and yard tractors can be ZEVs; that in 2025 100% of new step vans,

airport service vehicles and non-airport shuttle buses can be ZEVs; and that in 2026 100% of refuse trucks can be ZEVs. By our estimate, that would result in both the earlier introduction and greater numbers of ZEVs than the current proposal. It also would assure having a high positive impact on EJ communities.

We also believe that the population of trucks and the implementation dates targeted by the Innovation Clean Transit Rule (city buses) and by the Zero Emission Airport Shuttle Rule can be accelerated.

The approach that we're outlining will create significant "beachheads" for ZEV vehicles in California – earlier and in greater volumes – than the approach set forth in the proposed ACT Rule. We believe that it will create momentum for successfully expanding the acceptance and roll-out of ZEV technologies in even greater numbers. It also will allow interested stakeholders to work together to identify those specific markets in greatest need of incentives and infrastructure development, and to seek the needed funding assistance from the legislature or other sources in a more targeted fashion. We are committed to working with staff to identify the further expansion of the ACT Rule beyond the time period we've outlined.

We urge the Board to direct the staff to proceed with a 15-day notice to implement the approach we've outlined and to work with us and other stakeholders to expand the approach beyond the timeline we've identified.

I'm happy to answer any questions.